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09/940,276	08/27/2001	Lon Joseph Huffman	12587-010001	4550				
<div>26212 7590 08/15/2007</div> <div>FISH &amp; RICHARDSON P.C.</div> <div>P.O. BOX 1022</div> <div>MINNEAPOLIS, MN 55440-1022</div>								
<div>EXAMINER</div> <div>GRAHAM, CLEMENT B</div>								
<table border="1"><thead><tr><th>ART UNIT</th><th>PAPER NUMBER</th></tr></thead><tbody><tr><td>3692</td><td></td></tr></tbody></table>					ART UNIT	PAPER NUMBER	3692	
ART UNIT	PAPER NUMBER							
3692								
<table border="1"><thead><tr><th>MAIL DATE</th><th>DELIVERY MODE</th></tr></thead><tbody><tr><td>08/15/2007</td><td>PAPER</td></tr></tbody></table>					MAIL DATE	DELIVERY MODE	08/15/2007	PAPER
MAIL DATE	DELIVERY MODE							
08/15/2007	PAPER							

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

## Office Action Summary

Application No.

09/940,276

Applicant(s)

HUFFMAN ET AL.

Examiner

Clement B. Graham

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 05 June 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-39 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-39 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

**DETAILED ACTION**

1. Claims 1-39 remained pending in this Application.
2. Applicant's request for reconsideration of the finality of the rejection of the last Office action is persuasive and, therefore, the finality of that action is withdrawn.

**Claim Rejections - 35 USC § 101**

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 1, 15, 21, 28, are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Applicant's claims are directed to an algorithm. Specifically, claim 1, 15, 21, 28, recites "receiving", "identifying" and "generating", however these steps are mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, for example) and abstract ideas without a practical application are found to be non-statutory subject matter. Therefore, Applicant's claims are non-statutory as they do not produce a useful, concrete and tangible result.

**Claim Rejections - 35 USC § 102**

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

6. Claims 1-39, are rejected under 35 U.S.C. 102(b) as being anticipated by Barritz et al U.S. Patent 6, 029, 145.

As per claim 1, Barritz discloses a computer-implemented method of allocating digital content subscription revenue, the method comprising:  
receiving usage information relating to usage of digital content in a digital content aggregation;  
identifying a coefficient relating to a subset of digital works in the digital content aggregation, and generating a revenue allocation for the digital content based on the

coefficient and the usage information.(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 2, Barritz discloses wherein the coefficient is derived from a measure of usage for digital content calculated using usage information from a plurality of digital service providers. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 3, Barritz discloses wherein the coefficient comprises a preset value corresponding to a subjective measure of marketability for the digital content. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 4, Barritz discloses wherein the coefficient corresponds to an author of digital content. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 5, Barritz discloses wherein identifying the coefficient comprises retrieving the coefficient from a contract data repository. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 6, Barritz discloses wherein identifying the coefficient comprises identifying a plurality of conditioning coefficients, each comprising a preset value. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 7, Barritz discloses wherein the conditioning coefficients correspond to and author of digital content. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 8, Barritz discloses wherein one or more of the preset values indicates that a particular conditioning coefficient does not apply and is not to be used in generating the revenue allocation. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 9, Barritz discloses wherein identifying the conditioning coefficients comprises retrieving the conditioning coefficients from a central data repository to enable

Art Unit: 3692

continuous updates to revenue allocation models.(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 10, Barritz discloses wherein generating the revenue allocation comprises:

averaging the preset values for each of a plurality of digital works in the digital content aggregation to create a composite conditioning coefficient for each 4 of the digital works; and multiplying the composite conditioning coefficient by the usage information. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 11, Barritz discloses wherein generating the revenue allocation further comprises normalizing data during multiplication to create a royalty percentage of subscription revenue for each digital work used in a given period. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 12, Barritz discloses wherein generating the revenue allocation further comprises assigning a weight to each conditioning coefficient before the averaging.

As per claim 13, Barritz discloses wherein the conditioning coefficients comprise at least one of the following:

number of top ten songs for an artist, number of platinum records for the artist; number of years the artist has been with a label, number of records produced by the artist and a popularity ranking for the artist. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 14, Barritz discloses further comprising receiving digital asset metadata from a digital asset management system to facilitate assigning of digital content aggregations and the generating of the revenue allocation.(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 15, Barritz discloses a data processing system for allocating digital content subscription revenue, the system comprising:

a processor;  
an input/output system;  
a database, and a revenue conditioning server configured to calculate revenue allocations for digital content in an aggregation of digital content by allocating earned revenue for the aggregation as a whole based upon actual usage of the digital content and a conditioning coefficient. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 16, Barritz discloses wherein the input/output system comprises a network interface, a serial port and a keyboard. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 17, Barritz discloses wherein the database comprises a submission database, a subscription agreement and conditioning coefficient database, and a server database. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 18, Barritz discloses 18. The data processing system of claim 17, further comprising a network server configured to present a graphical user interface for receiving submissions and managing the subscription agreement and conditioning coefficient database. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 19, Barritz discloses wherein the revenue conditioning server comprises data exchange software capable of translating output data into a destination-specific format. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 20, Barritz discloses wherein the revenue conditioning server comprises a back-end server having document routing, mapping and transformation, transaction logging, subscriber management, security certification, and workflow orchestration elements. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 21, Barritz discloses a data processing system for allocating digital content subscription revenue, the system comprising:  
means for processing data;  
means for storing data on a storage medium; means for initializing the storage medium;  
first means for receiving digital content usage data;  
second means for receiving one or more conditioning coefficients relating to author specific valuations of digital content;  
third means for receiving earned subscription revenue data.(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67) means for calculating revenue allocations per digital asset, wherein the revenue allocations vary with amount of usage of each digital asset in a given time period, and wherein the revenue allocations vary with the one or more conditioning coefficients; and means for transmitting the revenue allocations per digital asset. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 22, Barritz discloses wherein the means for calculating comprises a software component of a revenue conditioning server. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 23, Barritz discloses wherein the means for storing comprises 2a relational database. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 24, Barritz discloses wherein the first, second and third means for receiving comprise software modules in a computer network interface program. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 25, Barritz discloses wherein the revenue conditioning server comprises data exchange software capable of translating output data into a destinationspecific format. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 26, Barritz discloses wherein the revenue conditioning server comprises a back-end server having document routing, mapping and transformation transaction logging, subscriber management, security certification, and workflow orchestration elements. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 27, Barritz discloses further comprising:  
means for receiving digital asset metadata; and  
means for transmitting cost data for digital assets to a digital server provider, wherein the cost data includes cost information per asset. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 28, Barritz discloses a machine-readable medium having stored thereon one or more sequences of  
instructions for causing one or more machines to perform operations comprising:  
receiving usage information relating to usage of digital content in a digital content aggregation;  
identifying a coefficient relating to a subset of digital works in the digital content aggregation; and  
generating a revenue allocation for the digital content based on the coefficient and the usage information. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 29, Barritz discloses wherein the coefficient is derived from a measure of usage for digital content calculated using usage information from a plurality of digital service providers. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 30, Barritz discloses wherein the coefficient corresponds to an author of digital content. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 31, Barritz discloses wherein the coefficient comprises a preset value corresponding to a subjective measure of marketability for the digital 3 content. .(see



column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 32, Barritz discloses wherein identifying the coefficient comprises retrieving the coefficient from a contract data repository. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 33, Barritz discloses wherein identifying the coefficient comprises identifying a plurality of conditioning coefficients, each comprising a preset 3 value. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 34, Barritz discloses 34. The machine-readable medium of claim 33, wherein at least one of the preset values indicates that a particular conditioning coefficient does not apply and is not to be used in generating the revenue allocation. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 35, Barritz discloses wherein generating the revenue allocation comprises:  
averaging the preset values for each of a plurality of digital works in the digital content aggregation to create a composite conditioning coefficient for each of the plurality of digital works; and  
multiplying the composite conditioning coefficient by the usage information. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 36, Barritz discloses wherein generating the revenue allocation further comprises normalizing data in multiplication to create a royalty percentage of subscription revenue for each digital work used in a given period. (see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 37, Barritz discloses wherein generating the revenue allocation further comprises assigning a weight to each conditioning coefficient before the averaging. (see

column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 38, Barritz discloses wherein the conditioning coefficients comprise at least one of the following:

number of top ten songs for an artist.(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67)

number of platinum records for the artist;

number of years the artist has been with a label;

number of records produced by the artist; and

a popularity ranking for the artist. .(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

As per claim 39, Barritz discloses wherein identifying the plurality of conditioning coefficients comprises retrieving the conditioning coefficients from a central data repository.(see column 2 lines 64-67 and column 3 lines 1-67 and column 4 lines 1-11 and column 4 lines 36-67 and column 5-12 lines 1-67).

### **Conclusion**

#### **RESPONSE TO ARGUMENTS**

7. Applicant's arguments filed 1/26/2007 has been fully considered but they are moot in view of new grounds of rejections.

8. In response to Applicant's arguments that Barritz fail to teach or suggest" identifying a conditioning coefficient and allocating revenue based on actual usage and conditioning coefficient" the Examiner disagrees with Applicant's because these limitations were address as stated Barritz teaches If the function to be performed is billing, collection or disbursement, the program proceeds via step 582 to step 584 to collect and correlate the usage data for each account. The usage information is collated at step 586 with the billing/license terms that is stored in the memory of the CP 500. Software routine 590 calculates the amount due from each vendor and then prepares and transmits billing and invoices to the various users 10 as indicated at 592. Another software function performed by the CP 500 is to collate the various monies received from the users 10 and, as indicated at 594, to thereafter disburse these monies to

vendors under the control of software routine 596. As before, the program returns through step 598.(see column 13 lines 63-67 and column 14 lines 1-8).

Therefore it is inherently clear that Applicant's claimed limitations were addressed with the teachings of Barritz because the conditioning coefficient would have been correlating the usage data with the license terms.

9. In response to Applicant's arguments with regards to the same portions of the prior art was recited with every rejection Applicant's is reminded that it is the Applicant's responsibility to read the prior art in its entirety.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 703-305-1874. The examiner can normally be reached on 7am to 5pm.

11. Applicant's claims 15, states " configured to calculate"

However the subject matter of a properly construed claim is defined by the terms that limit its scope. It is this subject matter that must be examined. As a general matter, the grammar and intended meaning of terms used in a claim will dictate whether the language limits the claim scope. Language that suggests or makes optional but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation. The following are examples of language that may raise a question as to the limiting effect of the language in a claim:

- (A) statements of intended use or field of use,
- (B) "adapted to" or "adapted for" clauses,
- (C) "wherein" clauses, or
- (D) "whereby" clauses.

This list of examples is not intended to be exhaustive. See also MPEP § 2111.04.

\*\*>USPTO personnel are to give claims their broadest reasonable interpretation in light of the supporting disclosure. In re Morris, 127 F.3d 1048, 1054-55, 44 USPQ2d 1023, 1027-28 (Fed. Cir. 1997). Limitations appearing in the specification but not recited in the claim should not be read into the claim. E-Pass Techs., Inc. v. 3Com Corp., 343 F.3d 1364, 1369, 67 USPQ2d 1947, 1950 (Fed. Cir. 2003) (claims must be interpreted "in view of the specification" without importing limitations from the specification into the

Art Unit: 3692

claims unnecessarily). In re Prater, 415 F.2d 1393, 1404-05, 162 USPQ 541, 550-551 (CCPA 1969). See also In re Zletz, 893 F.2d 319, 321-22, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989) ("During patent examination the pending claims must be interpreted as broadly as their terms reasonably allow.... The reason is simply that during patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed.... An essential purpose of patent examination is to fashion claims that are precise, clear, correct, and unambiguous.

Only in this way can uncertainties of claim scope be removed, as much as possible, during the administrative process.").

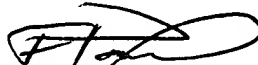
Where an explicit definition is provided by the applicant for a term, that definition will control interpretation of the term as it is used in the claim. Toro Co. v. White Consolidated Industries Inc., 199 F.3d 1295, 1301, 53 USPQ2d 1065, 1069 (Fed. Cir. 1999) (meaning of words used in a claim is not construed in a "lexicographic vacuum, but in the context of the specification and drawings."). Any special meaning assigned to a term "must be sufficiently clear in the specification that any departure from common usage would be so understood by a person of experience in the field of the invention." Multifarm Desiccants Inc. v. Medzam Ltd., 133 F.3d 1473, 1477, 45 USPQ2d 1429, 1432 (Fed. Cir. 1998). See also MPEP § 2111.01.

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 571-272-6795. The examiner can normally be reached on 7am to 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on 571-272-6777. The fax phone numbers for the organization where this application or proceeding is assigned are 571-273-8300 for regular communications and 703-305-0040 for After Final communications.

CG

Aug 4, 2007



FRANTZY POINVIL  
PRIMARY EXAMINER  
Au 3692

Application/Control Number: 09/940,276  
Art Unit: 3692

Page 12